

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTO 03260 071517Z

67

ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 AGR-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01

FRB-03 OMB-01 PA-01 USIA-06 PRS-01 /061 W

----- 040373

R 071330Z JUL 76

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 7526

INFO AMEMBASSY LONDON

LIMITED OFFICIAL USE SANTO DOMINGO 3260

E.O. 11652: N/A

TAGS: EAGR, ETRD, DR

SUBJECT: SUGAR: GODR CRITICIZED FOR LATEST SALES

REF: A) SANTO DOMINGO 2632, B) SANTO DOMINGO 2630, C) SANTO  
DOMINGO 2146, D) SANTO DOMINGO 2084

1. CEA, THE STATE-OWNED ENTITY ACCOUNTING FOR ABOUT 60 PERCENT OF THE DR'S SUGAR PRODUCTION, HAS COME UNDER SHARP CRITICISM FOR SELLING 170,000 METRIC TONS (MTS) OF SUGAR LAST FRIDAY AND ANOTHER 75,000 MTS MONDAY. FRIDAY'S SALE ELICITED ADVERSE COMMENTS FROM PRESIDENT BALAGUER'S ECONOMIC ADVISOR, CARLOS SELIMAN, WHO WAS EX OFFICIO PRESIDENT OF CEA WHEN HE SERVED AS SECRETARY OF FINANCE. ADDRESSING FRIDAY'S SALE, SELIMAN'S POSITION WAS THAT, EVEN THOUGH CEA WAS WELL ADVISED TO USE A MIX OF SELLING 70,000 MTS AT FIXED PRICE AND 100,0000 AT FUTURE AVERAGE PRICES WHICH WOULD BENEFIT FROM ANY PRICE RISE, CEA SHOULD, NEVERTHELESS, HAVE WAITED A LITTLE LONGER IN VIEW OF THE CURRENT STATE OF THE MARKET.

2. SANTO DOMINGO'S PRESTIGIOUS DAILY, LISTIN DIARIO, CARRIED A STRONG EDITORIAL JULY 6 SAYING THAT IF BROKERS WERE LOOKING FOR CONTRACTS OVER THE LONG US WEEKEND IT MUST BE BECAUSE THE PRICE WAS RISING. THE THRUST OF THE EDITORIAL WAS THAT CEA  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTO 03260 071517Z

WAS SELLING TOO HASTILY QUOTE IN VIEW OF THE CATASTROPHIC

DROUTH IN EUROPE UNQUOTE. FOR THE 170,000 MTS SOLD FRIDAY THE PRICES WERE AS FOLLOWS: 20,000 MTS AT \$15.30 PER HUNDREDWEIGHT (CWT), 50,000 MTS AT \$15.00 CWT, AND 100,000 MTS AT AN AVERAGE OF THE PRICES IN SEPTEMBER AND OCTOBER PLUS A PREMIUM OF 35 CENTS CWT.

3. FOR THE 75,000 MTS SOLD MONDAY, THE PRICE WAS \$15.30 CWT.

4. CEA DIRECTOR, RAFAEL DAVID, WAS QUOTED IN THE LOCAL PRESS AS SAYING THAT BRODERS OVER THE WEEKEND WANTED TO BUY ANOTHER 150,000 MTS, BUT THAT CEA REFUSED TO SELL EVEN THOUGH IT STILL HAD SOME 200,000 MTS LEFT OF THIS YEAR'S ANTICIPATED HARVEST.

5. IN ADDITION TO THESE TWO SALES TALLING 245,000 MTS, CEA HAS PREVIOUSLY SOLD A TOTAL OF 310,000 MTS AS REPORTED REFTEL A, OBTAINING AN AVERAGE PRICE, ACCORDING TO CEA, OF \$14.53 CWT.

6. SUGAR OF OTHER TWO DR SUGAR PRODUCERS, GULF & WESTERN AND THE VICINI FAMILY, IS ALREADY ALMOST ENTIRELY COMMITTED FOR 1976.

7. ACCORDING TO MANUEL FEDERICO ECHENIQUE, KNOWLEDGABLE SOURCE IN THE GODR'S INAZUCAR, DR THIS YEAR MAY PRODUCE AS MUCH AS 1.4 MILLION TONS AS COMPARED TO LAST YEAR'S 1.15 MILLION TONS, AND ALL BUT ABOUT 200,000 WILL BE EXPORTED, PRIMARILY TO THE US MARKET.  
HURWITCH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, SALES, PRODUCTION DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** coburnhl  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976SANTO03260  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760262-0311  
**From:** SANTO DOMINGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760783/aaaacvfl.tel  
**Line Count:** 88  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 SANTO DOMINGO 2632, 76 SANTO DOMINGO 2630  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** coburnhl  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17 MAY 2004 by buchant0>; APPROVED <09 SEP 2004 by coburnhl>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SUGAR: GODR CRITICIZED FOR LATEST SALES  
**TAGS:** EAGR, ETRD, DR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006